Commonwealth of Massachusetts Executive Office of Energy & Environmental Affairs DEPARTMENT OF ENERGY RESOURCES

RENEWABLE ENERGY PORTFOLIO STANDARD (225 CMR 14.00)

GUIDELINE

RPS Solar Carve-Out Assurance of Qualification Guideline

(Updated May <u>22</u>, 2013)

Effective Date: TBD

1) Purpose

This Guideline provides prospective Solar Carve-Out Generation Units with an assurance that they will be eligible to receive a Statement of Qualification under 225 CMR 14.00.

2) Scope

This Guideline applies to all Solar Carve-Out Generation Units that have either <u>already</u> received or will be seeking a Statement of Qualification as of the <u>Effective Date</u>.

3) Definitions

The terms "Aggregation," "Assurance of Qualification," "Authorized Agent," "Business Day," "Department," "Generation Unit," "Guideline," "Operator," "Owner," "Solar Carve-Out Generation Unit," and "Statement of Qualification" shall be defined as set forth in 225 CMR 14.02. Additional terms shall be defined as follows:

<u>Application:</u> The prescribed form(s) containing the information (and including supporting documentation and Certification) necessary to determine eligibility for a Statement of Qualification, Assurance of Qualification, or a position on the Waiting List pursuant to Section 4 of this Guideline.

<u>Certification</u>: A written statement based on knowledge, information, and belief that the relevant claims are true.

<u>Effective Date</u>: The date on which this Guideline is first issued by the Department, as indicated above.

<u>Interconnection Service Agreement:</u> The agreement for interconnection service entered into between an interconnecting customer and a distribution company, as provided in each distribution company's standards for interconnection of distributed generation.

Small Generation Unit: Any Generation Unit with a rated capacity less than 30 kW DC.

<u>Program Cap:</u> The 400 MW DC Solar Carve-Out Program Cap as established in 225 CMR 14.05(4)(k). All projects that have received a Statement of Qualification prior to the Effective Date will count towards the Program Cap.

<u>Reservation Period:</u> The period for which a Generation Unit is entitled to an Assurance of Qualification <u>or Statement of Qualification</u> prior to a Generation Unit's receipt of notice of authorization to interconnect from its local distribution company.

<u>Waiting List:</u> A list and ordered queue of Generation Units that would receive an Assurance of Qualification if there were capacity under the set-aside for Small Generation Units or the Program Cap, and that may receive an Assurance of Qualification if capacity becomes available under the set-aside for Small Generation Units or the Program Cap.

4) Obtaining an Assurance of Qualification

(A) Application for Assurance of Qualification

An Assurance of Qualification or Waiting List status as described in Section 4(D) of this Guideline, will be granted to all Solar Carve-Out Generation Units that both submit to the Department a complete Statement of Qualification Application (SQA) and can demonstrate that they meet the criteria set forth in 225 CMR 14.05(4)(m), which states the following:

- (m) The Department shall grant an Assurance of Qualification or queuing position to all Solar Carve-Out Renewable Generation Units, as provided in 225 CMR 14.04(4)l, that provide evidence of the following in lieu of having been granted the approval to interconnect to the grid by their local distribution company:
 - 1. an executed Interconnection Service Agreement, as tendered by the distribution company;
 - 2. adequate site control (a sufficient interest in real estate or other contractual right to construct the Unit at the location specified in the Interconnection Service Agreement); and
 - 3. all necessary governmental permits and approvals to construct the Unit with the exception of ministerial permits, such as a building permit, and notwithstanding any pending legal challenge(s) to one or more permits or approvals.

(B) Complete SQA

A Complete SQA for a Generation Unit shall include the following components:

i. Web-Based SQA

The web-based application that must be submitted in order to qualify any RPS eligible Generation Unit or Aggregation. A new web-based SQA is not required for projects that are being added to an already qualified Aggregation of projects.

ii. Completed PV Project Detail Form

The PV Project Detail Form must be completed and submitted via electronic mail for each individual Solar Carve-Out Generation Unit seeking qualification per the instructions on the Department's website.

iii. Renewable Energy Certificate (REC) Purchase Agreement

A REC Purchase Agreement must be submitted for all projects that are members of an Aggregation in which the Generation Unit Owner or Operator is not the same as the Authorized Representative.

(C) Exception and Set-Aside for Small Generation Units

For the purpose of applying for and obtaining an Assurance of Qualification or Statement of Qualification, Small Generation Units will be exempt from meeting the criteria set forth in 225 CMR 14.05(4)(m). A set-aside of the Program Cap will be established specifically for Small Generation Units. This set-aside will be equal to 60 MW DC of Solar-Carve Out eligible Small Generation Units and shall include all Small Generation Units that have received a Statement of Qualification under the Solar Carve-Out as of the Effective Date. New Generation Units will be qualified on a first-come, first-served basis if they meet all eligibility requirements and submit a complete SQA as outlined in Section 4(B) of this Guideline. Generation Units that have not received the authorization to interconnect at the time they apply will also be required to provide a letter of intent signed by the Generation Unit Owner documenting the Owner's intent to install said Generation Unit.

(D) Waiting List

If there is insufficient capacity under the Program Cap or set-aside for Small Generation Units for an Assurance of Qualification to be granted to a Generation Unit, the Department shall add the Generation Unit to the applicable Waiting List. Priority on the Waiting List shall be based on the date and time that the Department receives a complete Application.

As capacity under the Program Cap or set-aside for Small Generation Units becomes available (e.g. through a Generation Unit losing its Statement of Qualification or Assurance of Qualification), the Department shall offer such available capacity to Generation Units on the applicable Waiting List, in order of priority as follows:

i. If the capacity offered to a Generation Unit on the Waiting List is equal to or greater than the amount sought in an Application, the Generation Unit may

accept the offer. If the Generation Unit does not accept the Assurance of Qualification offered or does not respond within 15 Business Days of the offer, the Department shall deem the Application withdrawn, its Assurance of Qualification will be revoked, and the capacity will be offered to the next Generation Unit on the Waiting List.

ii. If the amount of capacity offered to a Generation Unit is less than the amount sought in an Application, the Generation Unit may accept a prorated Assurance of Qualification equal to the percentage of the project that could qualify under the existing Program Cap. As additional capacity becomes available under the Program Cap, it will be assigned to the same Generation Unit until 100 percent of the capacity listed in its Application can qualify under the existing Program Cap. Reservation periods established under Section 5of this Guideline shall not begin until a Generation Unit has accepted a partial Assurance of Qualification or received an Assurance of Qualification for 100 percent of the capacity listed in its Application.

(E) <u>Loss of Statement of Qualification</u>, <u>Assurance of Qualification</u>, <u>or Position on the Waiting List</u>

A Generation Unit that has obtained a Statement of Qualification, Assurance of Qualification, or position on the Waiting List shall lose such Statement of Qualification, Assurance, or position on the Waiting List if it: (1) fails to meet applicable deadlines; (2) makes any changes identified in Section 6(B) of this Guideline; (3) submits an Application that contains material misrepresentations; or (4) fails to comply with the verification requirements under Section 87 of this Guideline.

5) Reservation Periods

(A) Initial Reservation Period and Requests for Extensions

The Initial Reservation Period begins when the Department notifies the Generation Unit of a Statement of Qualification or an Assurance of Qualification. The Initial Reservation Period shall be nine months for all Solar Carve-Out Generation Units. No later than 30 calendar days before the end of the Initial Reservation Period, a Generation Unit may request that the Department grant an Extended Reservation Period as provided in Section 5(B). The Department shall review and respond within 15 Business Days to any Generation Unit's request for an extension of the Reservation Period. At the end of the Reservation Period, including the initial Reservation Period and all applicable extensions, the Reservation Period shall automatically expire without further action or notice by the Department.

(B) Extended Reservation Periods

i. Extended Reservation Period

As provided in Sections 5(B)(ii) and 5(B)(iii), if granted by the Department, an extended Reservation Period begins the first day after the end of the Initial Reservation Period or prior extension, provided that the Generation Unit has not previously sought the same extended Reservation Period for the Generation Unit's Statement of Qualification or Assurance of Qualification.

ii. Extended Reservation Period for Legal Challenges

Any Generation Unit may seek an extended Reservation Period of up to six months if the Generation Unit submits a Certification that a governmental permit or approval of the Generation Unit was subject to a legal challenge during the initial Reservation Period, and the legal challenge remains pending.

iii. Extended Reservation Period Pending Authorization to Interconnect

When a Generation Unit's <u>can demonstrate to the Department's satisfaction that</u> interconnection depends only upon receipt of notice of authorization to interconnect <u>from the distribution company</u>, the Reservation Period shall be extended <u>indefinitely</u> until such notice is received or denied.

iv. Extended Reservation Period with Proof of Construction

Any Generation Unit may seek an additional Extended Reservation Period of up to six months by providing the Department copies of all ministerial permits and demonstrating to the Department's satisfaction that construction of the Unit has commenced.

6) Impact of Facility Changes

(A) Permissible Changes

The Generation Unit shall report to the Department any of the following changes, which will not invalidate an Application, a Statement of Qualification, an Assurance of Qualification, or a position on the Waiting List as follows:

- i. A change of the Owner, Operator, or Authorized Agent of the Generation Unit.
- ii. A change in the Generation Unit's equipment (e.g. manufacturer, brand, etc.), provided the change does not invalidate the executed Interconnection Services Agreement with the distribution company, the Statement of Qualification

Application, a Statement of Qualification, an Assurance of Qualification, or a position on the Waiting List.

- iii. A reduction in the capacity of the Generation Unit. Based on such notification, the Department shall revise the amount of capacity the Generation Unit has been allocated under the Program Cap.
- iv. An increase in the capacity of the Generation Unit if there is available capacity under the Program Cap and no other Generation Unit is on the Waiting list. A Generation Unit that requests an increase in capacity under the Program Cap must submit the same documentation required in Section 4 and in 225 CMR 14.05(4)(m) with respect to the additional capacity.

(B) Prohibited Changes

The Generation Unit shall report to the Department any changes to the Generation Unit that make it ineligible for the RPS Class I Solar Carve-Out (e.g. capacity increase that makes the system larger than 6 MW DC per parcel, capacity added that is located outside the Commonwealth of Massachusetts, etc.), which will invalidate an Application, a Statement of Qualification, an Assurance of Qualification, or a position on the Waiting List.

As a result of any such changes, the Application will be deemed to have been withdrawn by the Generation Unit and the Generation Unit must submit a new Application if it seeks further qualifications.

7) Processing of Applications

(A) Priority of Applications

The Department shall prioritize complete Applications on a first-come, first-served basis, according to their submission date and time.

(B) Timing of Review

The Department shall notify the Generation Unit or its Authorized Agent within 30 days of the submission date whether the Application is complete or incomplete.

(C) Issuance of Assurance of Qualification or Statement of Qualification

<u>If the Application is complete, the Department shall notify the Generation Unit of its receipt of an Assurance of Qualification or Statement of Qualification.</u>

(D) Cure Process

If the Application is incomplete, the Department shall notify the Generation Unit of the deficiency and provide it with the opportunity to cure the deficiency. Until such time that the deficiency is remedied, the Application will lose its priority in the order in which Applications are processed and granted Assurances or Statements of Qualification.

(E) Maintenance of Waiting List

The Department shall maintain a Waiting List of Generation Units that have applied for an Assurance or Statement of Qualification and been denied solely because the Department has determined, pursuant to Section 4(D), that no additional capacity is available under the applicable cap.

(F) Notification Procedurces

The Department shall notify the Generation Unit or its Authorized Agent as soon as is practicable of the Generation Unit's loss of its Assurance of Qualification, Statement of Qualification, or place on the Waiting List pursuant to section 4(E).

7)8) <u>Verification</u>

The Generation Unit agrees to provide, at any time and without cause, copies of any documents deemed by the Department as reasonably necessary to confirm the facts related to an Application or to investigate any allegation of fraud or misrepresentation in an Application. The Generation Unit shall provide the Department with any requested documents within 10 Business Days of a request.

8)9) Miscellaneous

The Department may permit an exception from any provision of this Guideline for good cause.